

**Abbott Library Board of Trustees Minutes**  
**Town Hall Meeting Room – August 19, 2014**  
**Draft**

Trustees: Terri Jillson White, Chair; Peter Urbach, Assistant Chair; John Wilson, Treasurer; James Gottling, Secretary, Jim Currier; Xan Gallup; and Tom Mickle  
Alternates: Denise Bressette, Jane Frawley, and Sharon Palmer

Director: Mary Danko

Others: Lynne Anger (Denise Bressette's mother,) Anne Nilsen, Becky Rylander, Lois Gallup, Jeanne Wilson, John Augustine, Donald and Jan Bettencourt, and Sue Gottling (at 8:21 p.m.)

**I. Chair's Opening Remarks – Terri White**

Terri opened the meeting at 6:32 p.m. with an apology for having forgotten to get the town office key to Peter Urbach for July's meeting. She recommended *The Public Library* by Robert Dotson, available at the library, as good reading for all trustees. Terri also noted Peter Urbach's announced plan to move to North Carolina to be near family and thanked him for all of his work for the new Abbott Library.

**II. Approval of July 15, 2014 Minutes – Jim Gottling**

Jim Gottling suggested that the minutes of July 15, 2014 should include a header, giving the name of the Trustees, place of the meeting, and its date. In addition to minor wording changes in the first paragraph of Section I, it should be noted that Urbach had said that Denise Bressette would serve as alternate to Terri. In Section VIII, Part A the name of LaValley Building Supply, Inc. should appear as "LaValley," not "Lavallee's." With these changes, Tom Mickle, with second by Xan Gallup, moved to approve the July 15, 2014 minutes as amended. This motion was approved unanimously.

**III. Report from the Friends of the Abbott Library – Dick Katz**

Dick Katz was not present and there was no report from the Friends.

**IV. Report from the Abbott Library Foundation**

There was no report from the Abbott Library Foundation from July and they will not meet in August.

**V. Treasurer's Report – John Wilson**

John Wilson reported that the budget amount for July 31 was \$14,616 under budget.

With no questions about the Manifest of Bills for May 1 through August 18, 2014, Jim Currier moved to approve this report. With second by Xan Gallup, this motion passed unanimously.

**VI. Director's Report**

Mary Danko opened discussions about proposed library policies on donations of art and collectibles and meeting room use. No action was taken at this time, as the policies will be modified following some of the comments made at the meeting. Both policies will be approved at a future meeting.

Mary spoke about her written report, taking note of the summer reading program, thanking the Lions Club, Jim Currier, Dave Montambeault and his grandson for their hard work; an expected library visit by the NH Department of Labor, with one correction about need for a front door exit sign; the library's booth for the Riverfest day, with

thanks to Denise Bressette for her help; Mary's report at the summer town meeting; and an Overdrive kiosk now at the library's front desk.

## **VII. Chair's Report**

Terri proposed reviewing the book sale program by a committee of three. She proposed that the committee would consist of herself, Xan Gallup, and John Wilson. Jim Currier moved, Tom Mickle second, to approve formation of this committee. This motion passed unanimously.

## **VIII. Historical Society Presentation – Becky Rylander**

Becky Rylander (President,) accompanied by Lois Gallup (Treasurer,) of the Sunapee Historical Society (SHS) spoke about the SHS's interest in using the Old Abbott Library (OAL) building for storage of the town records that they have acquired. Becky said that the SHS goal is to protect, preserve, and promote Sunapee's history. She felt that the SHS and the Abbott Library Trustees should have a common synergy in this regard. The SHS could use the OAL to provide storage space and do scanning and research. Although Becky was reluctant to agree that the lower floor could be used for storage, Xan noted that we currently have the children's book collection in that location. John Wilson asked if the upper floor would be sufficient space, and Becky said that it would be. In response to Urbach's question, Becky said that the SHS has about \$100k of funds that could be partially used to pay for the start up of the OAL occupancy. Terri noted that the Abbott Library Trustees would not make the decision about the OAL once that building becomes town property. Tom Mickle said that use by the SHS of some space in the Historical Room of the new library had been suggested, but Becky said that there was not enough space there. Becky said in response to Sharon Palmer's question that the SHS materials now are stored in a room near the Sugar River. In response to Becky's request to place petitions about town voter's support of the SHS's using the OAL, Mary Danko said that the Abbott Library Trustees have a policy not to allow petitions to be placed in the library.

## **IX. Old Abbott Library – White/Urbach**

Vision Sessions:

- There was a 50/50 split between those who wanted to sell or retain the old building.
- Currier – The basement could be storage and the upper floor rented/leased to, perhaps, the Sunapee Historical Society.
- Urbach – According to the Town's attorney, the Historical Society is not a "library."
- Terri – The Selectboard appears to be planning not to sell the building.
- Mickel – The library's original plan was to have a community/meeting room and we should plan such a facility now.
- Urbach – According to the Selectmen and their attorney, a cy pres petition to have the \$975 k loan serve to remove the Library equity in the old building would not be approved by the Court without the Library Trustee's support.
- Terri – We should not expect to receive 100% of the old building's equity. The Hydro Funds could be used by the Selectman, perhaps over two years, to pay the Library Trustees the old building's equity.

- Urbach – The 100% equity payment to the Library Trustees was Fred Gallup’s idea; we never asked for that. It is not clear how much is in the Hydro Fund or how much should be retained in that fund to allow for emergency purchase of generator or similar equipment.
- Xan – Repayment over two years might be too short; perhaps three years would be better.

Cy Pres Petitions:

Peter Urbach gave a presentation regarding the old library’s equity calculation by the Town and the Abbott Library Trustee’s response. The following are information from Peter’s PowerPoint presentation:

The Town’s Cy Pres Petition and The Library Response

Background

- The library has equity in the old library building and land as the result of the private contributions made by Martha Abbott and others to build and expand the library
- This equity is a charitable trust which can only be used for the purposes intended by the donors, i.e. to build or expand the library
- The Office of the Attorney General and the Probate Court oversee this charitable trust to ensure that the donors intent is met
- The Cy Pres Petition is the means by which the AG and the Court approve of the proposed use of the charitable trust
- The Cy Pres Petition must be approved by the AG and the Court before a warrant article can be presented to the voters

More Background

- The Town must buy out the library’s equity interest before the building can be used for a non-library purposes
- The Trustees can only use the funds for a library purpose approved by the AG and the Court
- The Selectboard asked the Town Attorney to draft three Cy Pres petitions:
  1. Provide 100% of the fair market value of the building and land (both library and town portions) to the Trustees to build the community meeting room
  2. Provide only the Library’s portion of the fair market value of the building and land (estimated between 42% and 70%) to the Trustees for the community meeting room
  3. Consider the 2012 \$975,000 loan to help build the library as sufficient payment from the town to wipe out the library’s equity interest in the land and building

### Town Attorney's Advice

- Historical Society use, even if it is called a Historical Society Library, is not a public library and it would not avoid the need to buy out the Library's equity
- Combine the petitions with two different levels of equity interest, the 100% and the library only equity, into a single petition
- Drop the idea of using the \$975,000 loan to eliminate the library's equity, because it would not be approved by the Court
  - It might have worked if it had been written into the original loan warrant article in 2012
  - It might work if the Library Trustee's proposed it, which we should not do

### The Town Petition

- Petitions the Court to determine "fair market value" of the building and land
- Petitions the Court to approve either:
  - The entire (100%) fair market value of the land and building (both library and town share) to build the new community meeting room

OR

  - Only the library portion of the fair market value of the land and building (42% -72%) to build the new community meeting room
- Adds "necessary capital improvements" to equity interest calculations
- Does not include inflation adjustment
- Requests Town Counsel legal fees, for writing and filing this petition, be paid from Library Trust funds
- Town files with the "unanimous support" of Library Trustees

### Calculation of Equity Interest

	Library Contribution	Town Contribution
Martha Abbott Will 1921	\$11,810	\$3,000
New Wing 1984	<u>\$41,152</u>	<u>\$28,830<sup>1</sup></u>
<b>Totals</b>	<b>\$52,962</b>	<b>\$31,830</b>
<b>Percentages</b>	<b>62.5%</b>	<b>37.5%</b>

### Calculation of Equity Interest

	Library Contribution	Town Contribution
Martha Abbott Will 1921	\$11,810	\$3,000
New Wing 1984	<u>\$41,152</u>	<u>\$28,830<sup>1</sup></u>
Totals	\$52,962	\$31,830
Percentages	62.5%	37.5%

<sup>1</sup> Note: The \$28,830 in the “Town Contribution” column is not all Town funds. A portion of it represents federal funds received through federal revenue sharing. The exact proportion of federal revenue sharing funds and Town funds is not known. It would seem that the federal portion of the \$28,830 should not be counted against the library’s equity interest. The proper division is not between “private” and “public” funds but rather between private and town funds. Changing this calculation would increase the library’s equity.

### Inflation Adjustment

- The \$11, 810 contributed by Martha Abbott in 1921 dollars is worth considerable more than \$11,810 in 2014 because of inflation
- To fairly consider contributions made at various times by each party all of the contributions must be adjusted for inflation

	Library Contribution (Inflation Adjusted)	Town Contribution (Inflation Adjusted)
Martha Abbott Will 1921	\$157,253	\$39,946
New Wing 1984	<u>\$94,401</u>	<u>\$66,135</u>
Totals, Inflation Adjusted	\$251,165	\$106,081
Percentages, Inflation Adj.	<b>70.3%</b>	<b>29.6%</b>
Percentages, w/o Adjustment	62.5%	37.5%

### Town Calculation of Equity Interest

- In it’s Cy Pres petition the Town adds to the Town’s side of the calculation certain “necessary capital improvements” made from 1991 to 2010, specifically:
 

1. Furnace replacement, 1991	\$3,000
2. Window replacement, 1994	\$7,800
3. Stair, walkway, front entrance replacement and handicap ramp, 1996	\$8,600
4. Humidifier and floor replacement, 2010	<u>\$20,000</u>
Total	\$39,400
- These “necessary capital improvements” are primarily replacements and repairs required to maintain the library building, the responsibility of the Town, and are not appropriate to consider as the Town’s contribution to building or expanding the library

## Comparison of Equity Interest Calculations

	Library Calculation (inflation adj.)	Town Calculation
	<u>Library/Town</u>	<u>Library/Town</u>
Martha Abbott Will 1921	\$157,253/\$39,946	\$11,810/\$3,000
New Wing 1984	\$94,401/\$66,135	\$41,152/\$28,830
“Necessary Capital Improvements” 1991-2010	-	0/\$39,400
Totals	\$251,165/\$106,081	\$52,962/\$71,230
<b>Percentages</b>	<b>70.3%/29.7%</b>	<b>42.6%/57.4%</b>

### Points of Difference between Library and Town

- Before filing Cy Pres either use Town assessors value as fair market value or get proper appraisal, do not ask Court to determine fair market value
- Do not request hearing on Cy Pres (nice way to raise legal fees), write petition so it is clear enough so that no hearing is required
- Library Trust funds should not pay for Town’s legal costs
- Drop “Necessary Capital Improvements” from equity calculation
- Inflation adjust contributions
- Use 70% Library – 30% Town ratio for equity calculation
- Drop 100% option – it has no chance of prevailing in warrant

### Trustee’s Action

- Appoint Trustee Chair and Vice Chair as Trustee representatives to meet with Town Manager and Town Attorney to negotiate changes in Cy Pres
- If satisfactory changes are made, Town Petition would have endorsement of Library Trustees
- Failing satisfactory resolution of differences, Library should draft its own response to Town Petition to file with Court

### Proposed Motion

Moved: The Trustees appoint the Board Chair and Vice Chair as Trustee representatives to negotiate the Town’s draft Cy Pres Petition relating to the Library’s equity in the Old Library Building with the Town Manager and the Town Attorney. Said negotiations are to deal with the points covered and agreed to by the Trustees at their meeting on August 19, 2014. Should the issues be satisfactorily resolved in the negotiations the Trustees will endorse the Town’s Petition before the Probate Court. Should the issues not be satisfactorily resolved the Trustees may choose to file a dissenting brief with the Court.

## Rendering of Community Meeting Room



Conceptual Exterior View



Proposed New Abbott Library Community Center  
Tennant/Wallace Architects AIA PA

Sunapee, New Hampshire  
2014

The above motion was proposed by Peter Urbach. With second by John Wilson, this motion passed with a vote of 6 to 1.

The conceptual view above was prepared gratis by the architect.

### **X. New Abbott Library**

Oversight Committee Update – Urbach/Danko/Wilson

Mary Danko reported that landscaping, WWI memorial, dry walls, fireplace, lighting, bathroom fixtures, and doors have been installed. The air conditioning system is about to be fired up. The flooring installation has been delayed to allow the concrete floor to become sufficiently dry to allow warranty installation of the flooring. The Oversight Committee will hear further on Monday about the flooring installation. There remains a substantial amount in the contingency funds. Working with both Tenant/Wallace and Trumbull-Nelson continues to be very satisfactory.

Opening Event – Terri White

Terri suggested that scheduling the opening event be deferred to the September trustee's meeting, since the event will have to be held later than had been expected. There was general agreement to this proposal.

Photos – Approval of Photographer – Terri White

Terri contacted Gary Summerton, who offered to provide photographs of the opening event at no charge, provided that he be allowed to use these photos on his web site. Jim Currier moved, with second by Terri, to authorize Gary Summerton to provide photographs of the opening event and to allow him to use these photos on his web site. This motion passed unanimously.

### **XI. Old Business**

None

**XII. Other Business**

None

**XIII. Public Comment**

None

**XIV. Adjournment**

A motion to adjourn by Jim Currier, with second by Xan Gallup, was unanimously approved; and the meeting adjourned at 8:31 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "James G. Gottling".

James G Gottling, Secretary